

110TH CONGRESS  
2D SESSION

# H. R. 6495

To authorize programs and activities to support transportation and housing options that will assist American families in reducing transportation costs, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 15, 2008

Mr. BLUMENAUER (for himself, Mrs. TAUSCHER, Mr. SHAYS, Mr. INSLEE, Mr. MCNERNEY, and Ms. SOLIS) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Ways and Means, Financial Services, and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To authorize programs and activities to support transportation and housing options that will assist American families in reducing transportation costs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Transportation and Housing Choices for Gas Price Relief  
6 Act of 2008”.

## 1 (b) TABLE OF CONTENTS.—

- Sec. 1. Short title; table of contents.  
 Sec. 2. Findings.  
 Sec. 3. Community transportation choices investment program.  
 Sec. 4. Public transportation improvement block grants.  
 Sec. 5. Improving community transit grants.  
 Sec. 6. National consumer awareness program.  
 Sec. 7. Credit for teleworking.  
 Sec. 8. Transportation fringe benefit to bicycle commuters.  
 Sec. 9. Increased uniform dollar limitation for all types of transportation fringe benefits.  
 Sec. 10. Clarification of Federal employee benefits.  
 Sec. 11. Eligibility of self-employed individuals to receive transit fringe benefits.  
 Sec. 12. Parking cash-out programs.  
 Sec. 13. Vanpool credit.  
 Sec. 14. Participation of Federal agencies in local transportation management associations.  
 Sec. 15. Disclosure of transit accessibility and transportation costs of housing.  
 Sec. 16. Location-efficient mortgage goals for Fannie Mae and Freddie Mac.  
 Sec. 17. Location-efficient mortgages education and outreach campaign.  
 Sec. 18. Grants for purchase or creation of affordable housing near transit.  
 Sec. 19. Accessible and efficient schools.

2 **SEC. 2. FINDINGS.**

3 Congress finds the following:

4 (1) Gas prices have more than tripled since  
 5 2001, putting a significant strain on American fami-  
 6 lies and the economy.

7 (2) On average, transportation costs are now  
 8 Americans' second largest expense after housing.

9 (3) Polls show that Americans believe that gas  
 10 prices will continue to rise and they are looking to  
 11 Congress for help.

12 (4) Eighty-four percent of Americans rely on  
 13 their own transportation to get to and from work,  
 14 annually spending on average \$2,052 on gas and  
 15 264 hours on their commute.

1           (5) The cost of congestion, including added  
2 freight costs and lost productivity for consumers,  
3 reached \$78 billion in 2005 and resulted in 4.2 bil-  
4 lion lost hours and 2.9 billion gallons of wasted fuel.

5           (6) One of the most effective ways to reduce  
6 transportation costs and traffic congestion for Amer-  
7 ican families is to offer a broader range of transpor-  
8 tation options as well as housing choices that reduce  
9 transportation costs.

10          (7) Transportation options can include public  
11 transit, carpooling, biking, walking, and other alter-  
12 natives to single-occupancy vehicle trips.

13          (8) The Consumer Electronics Association re-  
14 cently estimated that 4 to 6 million workers telecom-  
15 mute at least once a week, saving an estimated 840  
16 million gallons of fuel and reducing carbon dioxide  
17 emissions by 10 to 14 million metric tons per year.

18          (9) A typical transit rider consumes less than  
19 half as much gasoline on average than a person with  
20 no access to transit.

21          (10) Public transportation saves over 4.2 billion  
22 gallons of fuel each year.

23          (11) At \$4 per gallon gasoline, American fami-  
24 lies can save \$5.6 billion each year on gasoline costs  
25 by using transit.

1           (12) Consumer demand for transit and other  
2           transportation options is surging.

3           (13) Public transportation ridership rose by 3.4  
4           percent in the first quarter of 2008, according to the  
5           American Public Transportation Association.

6           (14) More than 90 percent of public transpor-  
7           tation officials report that their ridership is up over  
8           the past 3 years.

9           (15) Rising fuel prices have increased costs for  
10          public transportation agencies. Public transportation  
11          agencies consume more than 760 million gallons of  
12          diesel fuel and gasoline each year. For every penny  
13          added to the cost of fuel, public transportation agen-  
14          cies around the Nation face \$7.6 million in increased  
15          annual costs.

16          (16) Bicycle commuters annually save on aver-  
17          age \$1,825 in auto-related costs, conserve 145 gal-  
18          lons of gasoline, and avoid 50 hours of gridlock traf-  
19          fic.

20          (17) Bicycles can be a viable option for the  
21          more than 50 percent of the working population  
22          commutes less than 5 miles to work.

23          (18) In 1969, approximately 50 percent of chil-  
24          dren in the United States got to school by walking

1 or bicycling, but in 2001 only 15 percent of students  
2 were walking or biking to school .

3 (19) Too few Americans live in communities  
4 equipped with convenient and reliable access to pub-  
5 lic transportation or other alternatives to driving a  
6 vehicle.

7 (20) A study funded by the Environmental Pro-  
8 tection Agency found that residents of compact met-  
9 ropolitan areas drive about 25 percent less than  
10 those in sprawling areas.

11 (21) Less than 5 percent of Americans live  
12 within one-half mile of rail transit.

13 (22) The Federal Government can help Amer-  
14 ican families cope with high gas prices by expanding  
15 alternatives and investing in communities.

16 **SEC. 3. COMMUNITY TRANSPORTATION CHOICES INVEST-**  
17 **MENT PROGRAM.**

18 (a) IN GENERAL.—The Secretary of Transportation  
19 shall carry out a grant program to support community ef-  
20 forts to invest in transportation alternatives and travel de-  
21 mand management strategies.

22 (b) AWARD OF GRANTS.—The Secretary shall award  
23 grants under the program on a competitive basis. The Sec-  
24 retary give priority to proposals that will have the biggest  
25 impact on reducing single occupancy vehicle trips.

1 (c) ELIGIBLE ENTITIES.—The following entities shall  
2 be eligible to receive grants under the program:

3 (1) State and local governments.

4 (2) Metropolitan planning organizations.

5 (3) Rural planning organizations.

6 (d) ELIGIBLE ACTIVITIES.—Amounts received in  
7 grants under the program may be used to plan for, facili-  
8 tate, and provide initial support for any of the following  
9 activities:

10 (1) Transportation demand management pro-  
11 grams, including support for transportation manage-  
12 ment associations.

13 (2) Carpool or telecommuting projects.

14 (3) Planning, design, acquisition of rights-of-  
15 way, construction, improvement, and management of  
16 streets, pathways, and public transportation facilities  
17 to facilitate expanded bicycle and pedestrian mobility  
18 and access.

19 (4) Intelligent transportation improvements, in-  
20 cluding traffic management systems that reduce con-  
21 gestion and idling (other than projects to increase  
22 roadway capacity).

23 (5) Participation in market-based programs to  
24 reduce travel demand, such as car or bicycle sharing  
25 and pay-as-you-drive insurance.

1 (e) APPLICATION.—

2 (1) IN GENERAL.—To receive a grant under the  
3 program, an eligible entity shall submit to the Sec-  
4 retary an application in such form and manner as  
5 the Secretary prescribes.

6 (2) CONTENTS.—An application under this sub-  
7 section shall contain, at a minimum, information de-  
8 tailing how the project to be funded using the grant  
9 funds would provide for a shift in the use of trans-  
10 portation modes by encouraging walking, biking, or  
11 using public transportation as an alternative to driv-  
12 ing a motor vehicle. The applicant shall also describe  
13 the project goals and objectives and the methods by  
14 which the impacts and performance of the project  
15 will be measured against the project goals and objec-  
16 tives. For activities expected to be ongoing, the ap-  
17 plicant shall describe how the project's operating  
18 costs will be financially sustained beyond the end of  
19 the grant.

20 (f) FEDERAL SHARE.—The Federal share of the cost  
21 of an activity funded under the program may not exceed  
22 80 percent of the cost of the activity.

23 (g) COOPERATION.—In carrying out this section, the  
24 Secretary shall work with the Administrator of the Envi-  
25 ronmental Protection Agency, as necessary, to coordinate

1 the activities under this section with the Smart Growth  
2 program of the Environmental Protection Agency.

3 (h) ADMINISTRATIVE EXPENSES.—Not to exceed 4  
4 percent of the amounts made available to carry out this  
5 section for a fiscal year may be used by the Secretary for  
6 administrative expenses.

7 (i) MAXIMUM AMOUNT.—Not more than \$500,000 in  
8 grants received by a recipient in a fiscal year under this  
9 section may be used for a single project.

10 (j) AUTHORIZATION OF APPROPRIATIONS.—There is  
11 authorized to be appropriated to carry out this section  
12 \$50,000,000 for each of fiscal years 2009 through 2011.  
13 Such sums shall remain available until expended.

14 **SEC. 4. PUBLIC TRANSPORTATION IMPROVEMENT BLOCK**  
15 **GRANTS.**

16 (a) AUTHORIZATIONS OF APPROPRIATIONS.—

17 (1) URBANIZED AREA FORMULA GRANTS.—In  
18 addition to amounts allocated under section  
19 5338(b)(2)(B) of title 49, United States Code, to  
20 carry out section 5307 of such title, there is author-  
21 ized to be appropriated \$725,000,000 for each of fis-  
22 cal years 2008 and 2009 to carry out such section  
23 5307. Such funds shall be apportioned, not later  
24 than 7 days after the date on which the funds are  
25 appropriated, in accordance with section 5336 (other



1 than subsections (i)(1) and (j)) of such title but may  
2 not be combined or commingled with any other  
3 funds apportioned under such section 5336.

4 (2) FORMULA GRANTS FOR OTHER THAN UR-  
5 BANIZED AREAS.—In addition to amounts allocated  
6 under section 5338(b)(2)(G) of title 49, United  
7 States Code, to carry out section 5311 of such title,  
8 there is authorized to be appropriated \$125,000,000  
9 for each of fiscal years 2008 and 2009 to carry out  
10 such section 5311. Such funds shall be apportioned,  
11 not later than 7 days after the date on which the  
12 funds are appropriated, in accordance with such sec-  
13 tion 5311 but may not be combined or commingled  
14 with any other funds apportioned under such section  
15 5311.

16 (b) USE OF FUNDS.—Notwithstanding sections 5307  
17 and 5311 of title 49, United States Code, the Secretary  
18 of Transportation may make grants under such sections  
19 from amounts appropriated under subsection (a) only for  
20 one or more of the following:

21 (1) Technology upgrades to make public trans-  
22 portation systems more rider friendly, including—

23 (A) creating and publicizing trip-finder  
24 sites online;

1 (B) providing access to real time schedule  
2 information through digital displays at public  
3 transportation facilities and wireless tools;

4 (C) synchronizing payment methods  
5 amongst different modes of transportation; and

6 (D) providing for online trip planners and  
7 interactive service maps and mobile access to  
8 these tools.

9 (2) Fare subsidies or free-ride days to reduce  
10 costs to consumers.

11 (3) Technical assistance for accommodating in-  
12 creased ridership.

13 (4) Maintenance and upgrades to improve serv-  
14 ice.

15 (5) Purchasing of fuel to run buses to ensure  
16 the maintenance of current levels of service and fare  
17 prices or to expand service options.

18 (6) Station upgrades that enhance pedestrian  
19 and bicycle access or improve rider experience.

20 (7) Planning and design for new public trans-  
21 portation projects, extension of existing public trans-  
22 portation projects, and intercity passenger rail  
23 projects.

1 (c) FEDERAL SHARE.—The Federal share of the cost  
2 of an activity funded under the program may not exceed  
3 80 percent of the cost of the activity.

4 (d) PERIOD OF AVAILABILITY.—Funds appropriated  
5 under this section shall remain available for a period of  
6 2 fiscal years.

7 **SEC. 5. IMPROVING COMMUNITY TRANSIT GRANTS.**

8 (a) PROJECT JUSTIFICATION.—Section 5309(e)(4) of  
9 title 49, United States Code, is amended—

10 (1) by redesignating subparagraph (E) as sub-  
11 paragraph (F); and

12 (2) by inserting after subparagraph (D) the fol-  
13 lowing:

14 “(E) determine the project effectiveness  
15 based on the project’s—

16 “(i) effectiveness in reducing per cap-  
17 ita vehicle miles traveled in the transpor-  
18 tation corridor served, including reductions  
19 in vehicle miles traveled related to higher  
20 density development and improved land use  
21 surrounding the project;

22 “(ii) ability to achieve higher density  
23 development along the corridor served as a  
24 result of the project as compared with the  
25 surrounding metropolitan area; and

1                   “(iii) potential for reducing per capita  
2                   greenhouse gas emissions as a result of the  
3                   project and the anticipated changes in land  
4                   use, density, and economic development  
5                   within the transportation corridor served.”.

6           (b) PROJECT JUSTIFICATION FACTORS.—Section  
7 5309(e) of title 49, United States Code, is amended—

8                   (1) by redesignating paragraph (6) as para-  
9                   graph (8); and

10                  (2) by inserting after paragraph (5) the fol-  
11                  lowing:

12                   “(6) WEIGHT OF PROJECT JUSTIFICATION FAC-  
13                   TORS.—For purposes of making the evaluation re-  
14                   quired under paragraph (4), the Secretary shall give  
15                   equal weight to each listed factor.

16                   “(7) ADDITIONAL PROJECT JUSTIFICATION  
17                   FACTOR.—For purposes of making the evaluation re-  
18                   quired under paragraph (4), the Secretary shall not  
19                   consider any factor quantifying travel time sav-  
20                   ings.”.

21 **SEC. 6. NATIONAL CONSUMER AWARENESS PROGRAM.**

22           (a) IN GENERAL.—The Secretary of Transportation  
23 shall carry out a national consumer awareness program  
24 (in this section referred to as the “program”) to educate  
25 the public on the environmental, energy, and economic

1 benefits of transportation alternatives to the single occu-  
2 pancy vehicle, including carpooling, vanpooling, transit,  
3 and bicycles.

4 (b) GRANTS.—

5 (1) PURPOSES.—In carrying out the program,  
6 the Secretary shall make grants to establish, expand,  
7 and enhance local marketing and educational cam-  
8 paigns that promote the benefits of alternative  
9 transportation and reducing motor vehicle trips.

10 (2) ELIGIBLE RECIPIENTS.—The following enti-  
11 ties shall be eligible to receive a grant under this  
12 subsection:

13 (A) State and city departments of trans-  
14 portation.

15 (B) Metropolitan planning organizations.

16 (C) Rural planning organizations.

17 (D) City, county, and State governments.

18 (E) Universities and school districts.

19 (F) Public transportation agencies.

20 (G) Councils of government.

21 (3) ELIGIBLE ACTIVITIES.—Grant funds made  
22 available under this subsection may be used for the  
23 following purposes:

24 (A) Public forums to educate and receive  
25 feedback.

1 (B) Ride sharing programs and outreach.

2 (C) Print materials.

3 (D) Employer programs.

4 (E) Distributing and publicizing informa-  
5 tion on alternatives to single occupancy vehicle  
6 trips.

7 (F) Creating, upgrading, and promoting  
8 Internet websites that offer online access to  
9 services that consumers would otherwise have to  
10 drive a motor vehicle to access.

11 (G) Research and analysis of the effective-  
12 ness or benefits of the activities described in  
13 this paragraph.

14 (c) AUTHORIZATION OF APPROPRIATIONS.—There is  
15 authorized to be appropriated to carry out this section  
16 \$10,000,000 for each of fiscal years 2009 through 2011.  
17 Such sums shall remain available until expended.

18 **SEC. 7. CREDIT FOR TELEWORKING.**

19 (a) IN GENERAL.—Subpart B of part IV of sub-  
20 chapter A of chapter 1 of the Internal Revenue Code of  
21 1986 (relating to foreign tax credit, etc.) is amended by  
22 adding at the end the following new section:

23 **“SEC. 30D. TELEWORK CREDIT.**

24 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-  
25 gible taxpayer, there shall be allowed as a credit against

1 the tax imposed by this chapter for the taxable year an  
2 amount equal to the qualified teleworking expenses paid  
3 or incurred by the taxpayer during such year.

4 “(b) MAXIMUM CREDIT.—

5 “(1) PER TELEWORKER LIMITATION.—The  
6 credit allowed by subsection (a) for a taxable year  
7 with respect to qualified teleworking expenses paid  
8 or incurred by or on behalf of an individual tele-  
9 worker shall not exceed \$400.

10 “(2) REDUCTION FOR TELEWORKING LESS  
11 THAN FULL YEAR.—In the case of an individual who  
12 is in a teleworking arrangement for less than a full  
13 taxable year, the amount referred to paragraph (1)  
14 shall be reduced by an amount which bears the same  
15 ratio to \$400 as the number of months in which  
16 such individual is not in a teleworking arrangement  
17 bears to 12. For purposes of the preceding sentence,  
18 an individual shall be treated as being in a tele-  
19 working arrangement for a month if the individual  
20 is subject to such arrangement for any day of such  
21 month.

22 “(c) DEFINITIONS.—For purposes of this section—

23 “(1) ELIGIBLE TAXPAYER.—The term ‘eligible  
24 taxpayer’ means—

1           “(A) in the case of an individual, an indi-  
2           vidual who performs services for an employer  
3           under a teleworking arrangement, or

4           “(B) in the case of an employer, an em-  
5           ployer for whom employees perform services  
6           under a teleworking arrangement.

7           “(2) TELEWORKING ARRANGEMENT.—The term  
8           ‘teleworking arrangement’ means an arrangement  
9           under which an employee teleworks for an employer  
10          at least 1 day per week.

11          “(3) QUALIFIED TELEWORKING EXPENSES.—  
12          The term ‘qualified teleworking expenses’ means ex-  
13          penses paid or incurred under a teleworking ar-  
14          rangement—

15                 “(A) for purchase or installation of any  
16                 electronic information or telecommunication  
17                 equipment which is used to enable an individual  
18                 to telework, or

19                 “(B) for any telecommunications service,  
20                 or Internet access (or related services), relating  
21                 to the use of such equipment.

22          “(4) TELEWORK.—The term ‘telework’ means  
23          to perform work functions, using electronic informa-  
24          tion and communication technologies, thereby reduc-



1 ing or eliminating the physical commute to and from  
2 the traditional worksite.

3 “(d) LIMITATION BASED ON AMOUNT OF TAX.—

4 “(1) LIABILITY FOR TAX.—The credit allowable  
5 under subsection (a) for any taxable year shall not  
6 exceed the excess (if any) of—

7 “(A) the regular tax for the taxable year,  
8 reduced by the sum of the credits allowable  
9 under subpart A and the preceding sections of  
10 this subpart, over

11 “(B) the tentative minimum tax for the  
12 taxable year.

13 “(2) CARRYFORWARD OF UNUSED CREDIT.—If  
14 the amount of the credit allowable under subsection  
15 (a) for any taxable year exceeds the limitation under  
16 paragraph (1) for the taxable year, the excess shall  
17 be carried to the succeeding taxable year and added  
18 to the amount allowable as a credit under subsection  
19 (a) for such succeeding taxable year.

20 “(e) SPECIAL RULES.—

21 “(1) BASIS REDUCTION.—For purposes of this  
22 subtitle, the basis of any property for which a credit  
23 is allowable under subsection (a) shall be reduced by  
24 the amount of such credit (determined without re-  
25 gard to subsection (d)).

1           “(2) RECAPTURE.—The Secretary shall, by reg-  
2           ulations, provide for recapturing the benefit of any  
3           credit allowable under subsection (a) with respect to  
4           any property which ceases to be property eligible for  
5           such credit.

6           “(3) PROPERTY USED OUTSIDE UNITED  
7           STATES, ETC., NOT QUALIFIED.—No credit shall be  
8           allowed under subsection (a) with respect to any  
9           property referred to in section 50(b) or with respect  
10          to the portion of the cost of any property taken into  
11          account under section 179.

12          “(4) ELECTION NOT TO TAKE CREDIT.—No  
13          credit shall be allowed under subsection (a) for any  
14          expense if the taxpayer elects to have this section  
15          not apply with respect to such expense.

16          “(5) DENIAL OF DOUBLE BENEFIT.—No deduc-  
17          tion or credit (other than under this section) shall  
18          be allowed under this chapter with respect to any ex-  
19          pense which is taken into account in determining the  
20          credit under this section.

21          “(f) REPORTING REQUIREMENT.—

22                 “(1) IN GENERAL.—In the case of an eligible  
23                 taxpayer who is an employer, no credit shall be al-  
24                 lowed under this section for qualified teleworking ex-  
25                 penses of the employer with respect to such employ-

1 er's employees unless the taxpayer submits to the  
2 Secretary (in such form and manner as the Sec-  
3 retary may prescribe)—

4 “(A) the survey described in paragraph  
5 (2), and

6 “(B) a detailed description of the tele-  
7 working policies of the employer, including a  
8 description of—

9 “(i) which employees of the employer  
10 are eligible to telework,

11 “(ii) any employer goals relating to  
12 teleworking, and any progress with respect  
13 to such goals, and

14 “(iii) any materials or resources of the  
15 employer intended to promote or enable  
16 teleworking.

17 “(2) CALL FOR TELEWORK DATA SURVEY.—

18 The Secretary shall, in consultation with the Office  
19 of Personnel Management, establish, make publicly  
20 available to taxpayers, and update as appropriate, a  
21 survey designed to track teleworking trends among  
22 employers allowed credits under this section.

23 “(3) REPORT TO CONGRESS.—Not later than  
24 October 15 of each calendar year, the Secretary  
25 shall submit to the Congress, and make publicly

1 available on the Internet and at the offices of the In-  
2 ternal Revenue Service, a report, which shall include  
3 a summary of the information contained in the sub-  
4 missions under paragraph (1) for taxable years end-  
5 ing in the previous calendar year.”.

6 (b) CONFORMING AMENDMENT.—Subsection (a) of  
7 section 1016 of such Code is amended by striking “and”  
8 at the end of paragraph (36), by striking the period at  
9 the end of paragraph (37) and inserting “, and”, and by  
10 adding at the end the following new paragraph:

11 “(38) to the extent provided in section 30D(e),  
12 in the case of amounts with respect to which a credit  
13 has been allowed under section 30B.”

14 (c) CLERICAL AMENDMENT.—The table of sections  
15 for subpart B of part IV of subchapter A of chapter 1  
16 of such Code is amended by adding at the end the fol-  
17 lowing new item:

“Sec. 30D. Telework credit.”.

18 (d) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to amounts paid or incurred after  
20 December 31, 2008.

21 **SEC. 8. TRANSPORTATION FRINGE BENEFIT TO BICYCLE**  
22 **COMMUTERS.**

23 (a) IN GENERAL.—Paragraph (1) of section 132(f)  
24 of the Internal Revenue Code of 1986 is amended by add-  
25 ing at the end the following:

1           “(D) Any qualified bicycle commuting re-  
2           imbursement.”.

3           (b) LIMITATION ON EXCLUSION.—Paragraph (2) of  
4 section 132(f) of such Code is amended by striking “and”  
5 at the end of subparagraph (A), by striking the period  
6 at the end of subparagraph (B) and inserting “, and”,  
7 and by adding at the end the following new subparagraph:

8           “(C) the applicable annual limitation in  
9           the case of any qualified bicycle commuting re-  
10          imbursement.”.

11          (c) DEFINITIONS.—Paragraph (5) of section 132(f)  
12 of such Code is amended by adding at the end the fol-  
13 lowing:

14           “(F) DEFINITIONS RELATED TO BICYCLE  
15          COMMUTING REIMBURSEMENT.—

16           “(i) QUALIFIED BICYCLE COMMUTING  
17          REIMBURSEMENT.—The term ‘qualified bi-  
18          cycle commuting reimbursement’ means,  
19          with respect to any calendar year, any em-  
20          ployer reimbursement during the 15-month  
21          period beginning with the first day of such  
22          calendar year for reasonable expenses in-  
23          curred by the employee during such cal-  
24          endar year for the purchase of a bicycle  
25          and bicycle improvements, repair, and stor-

1 age, if such bicycle is regularly used for  
2 travel between the employee's residence  
3 and place of employment.

4 “(ii) APPLICABLE ANNUAL LIMITA-  
5 TION.—The term ‘applicable annual limita-  
6 tion’ means, with respect to any employee  
7 for any calendar year, the product of \$50  
8 multiplied by the number of qualified bicy-  
9 cle commuting months during such year.

10 “(iii) QUALIFIED BICYCLE COM-  
11 MUTING MONTH.—The term ‘qualified bi-  
12 cycle commuting month’ means, with re-  
13 spect to any employee, any month during  
14 which such employee—

15 “(I) regularly uses the bicycle for  
16 a substantial portion of the travel be-  
17 tween the employee's residence and  
18 place of employment, and

19 “(II) does not receive any benefit  
20 described in subparagraph (A), (B),  
21 or (C) of paragraph (1).”.

22 (d) CONSTRUCTIVE RECEIPT OF BENEFIT.—Para-  
23 graph (4) of section 132(f) of such Code is amended by  
24 inserting “(other than a qualified bicycle commuting reim-  
25 bursement)” after “qualified transportation fringe”.

1 (e) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2008.

4 **SEC. 9. INCREASED UNIFORM DOLLAR LIMITATION FOR**  
5 **ALL TYPES OF TRANSPORTATION FRINGE**  
6 **BENEFITS.**

7 (a) IN GENERAL.—Section 132(f)(2) of the Internal  
8 Revenue Code of 1986 (relating to limitation on exclusion)  
9 is amended—

10 (1) by striking “\$100” in subparagraph (A)  
11 and inserting “\$200”, and

12 (2) by striking “\$175” in subparagraph (B)  
13 and inserting “\$200”.

14 (b) INFLATION ADJUSTMENT CONFORMING AMEND-  
15 MENTS.—Subparagraph (A) of section 132(f)(6) of the In-  
16 ternal Revenue Code of 1986 (relating to inflation adjust-  
17 ment) is amended—

18 (1) by striking the last sentence,

19 (2) by striking “1999” and inserting “2009”,  
20 and

21 (3) by striking “1998” and inserting “2008”.

22 (c) EFFECTIVE DATE.—The amendments made by  
23 this section shall apply to taxable years beginning after  
24 December 31, 2008.

1 **SEC. 10. CLARIFICATION OF FEDERAL EMPLOYEE BENE-**  
2 **FITS.**

3 Section 7905 of title 5, United States Code, is  
4 amended—

5 (1) in subsection (a)—

6 (A) in paragraph (2)(C) by inserting  
7 “and” after the semicolon;

8 (B) in paragraph (3) by striking “; and”  
9 and inserting a period; and

10 (C) by striking paragraph (4); and

11 (2) in subsection (b)(2)(A) by amending sub-  
12 paragraph (A) to read as follows:

13 “(A) a qualified transportation fringe as  
14 defined in section 132(f)(1) of the Internal Rev-  
15 enue Code of 1986;”.

16 **SEC. 11. ELIGIBILITY OF SELF-EMPLOYED INDIVIDUALS TO**  
17 **RECEIVE TRANSIT FRINGE BENEFITS.**

18 (a) IN GENERAL.—Subparagraph (E) of section  
19 132(f)(5) is amended—

20 (1) by striking “For purposes of this sub-  
21 section, the term” and inserting the following:

22 “(i) IN GENERAL.—Except as pro-  
23 vided in clause (ii), the term”, and

24 (2) by adding at the end the following new  
25 clause:



1                   “(ii) SELF-EMPLOYED INDIVIDUALS  
2                   ELIGIBLE FOR TRANSIT PASS FRINGE BEN-  
3                   EFIT.—For purposes of paragraph (1)(B),  
4                   such term includes an individual who is an  
5                   employee within the meaning of section  
6                   401(c)(1).”.

7           (b) EFFECTIVE DATE.—The amendments made by  
8 this section shall apply to taxable years beginning after  
9 December 31, 2008.

10 **SEC. 12. PARKING CASH-OUT PROGRAMS.**

11           (a) IN GENERAL.—Subparagraph (C) of section  
12 132(f)(5) is amended—

13                   (1) by striking “The term” and inserting the  
14                   following:

15                                   “(i) IN GENERAL.—The term”.

16                   (2) by adding at the end of clause (i), as  
17                   amended by paragraph (1), the following: “Such  
18                   term shall not include any parking with respect to  
19                   any specified employer unless such employer estab-  
20                   lishes a parking cash-out program.”, and

21                   (3) by adding at the end the following new  
22                   clauses:

23                                   “(ii) SPECIFIED EMPLOYER.—For  
24                   purposes of this subparagraph, the term

1           ‘specified employer’ means any employer  
2           who—

3                   “(I) employs on average 50 or  
4                   more employees during the calendar  
5                   year,

6                   “(II) leases the parking facilities  
7                   referred to in clause (i),

8                   “(III) can separately determine  
9                   the amount paid per parking space  
10                  leased, and

11                  “(IV) can reduce the number of  
12                  parking space leased (on a basis not  
13                  less frequently than monthly) without  
14                  penalty.

15                  “(iii) PARKING CASH-OUT PRO-  
16                  GRAM.—For purposes of this subpara-  
17                  graph, the term ‘parking cash-out pro-  
18                  gram’ means a program established by the  
19                  employer under which—

20                   “(I) the employer offers employ-  
21                   ees a cash allowance equal to the reg-  
22                   ular amount paid by the employer for  
23                   parking for a single employee under  
24                   clause (i) in lieu of the parking re-  
25                   ferred to in clause (i), and

1                   “(II) any employee electing the  
2                   cash allowance shall certify to the em-  
3                   ployer that the employee will comply  
4                   with guidelines established by the em-  
5                   ployer to avoid neighborhood parking  
6                   problems and violation of such guide-  
7                   lines are enforced by the employer by  
8                   termination of eligibility of such em-  
9                   ployee for such cash allowance and  
10                  employer sponsored parking.”.

11           (b) **EFFECTIVE DATE.**—The amendments made by  
12 this section shall apply to parking provided during cal-  
13 endar years beginning after December 31, 2008.

14 **SEC. 13. VANPOOL CREDIT.**

15           (a) **IN GENERAL.**—Subpart D of part IV of sub-  
16 chapter A of chapter 1 of the Internal Revenue Code of  
17 1986 is amended by adding at the end the following new  
18 section:

19 **“SEC. 45Q. VANPOOL CREDIT.**

20           “(a) **GENERAL RULE.**—For purposes of section 38,  
21 the vanpool credit for any taxable year is an amount equal  
22 to 10 percent of the qualified vanpool expenditures of the  
23 taxpayer for the taxable year.

24           “(b) **QUALIFIED VANPOOL EXPENDITURES.**—For  
25 purposes of this section, the term ‘qualified vanpool ex-

1 penditures’ means the aggregate amount paid or incurred  
 2 by the employer during the taxable year to provide trans-  
 3 portation described in section 132(f)(1)(A).”.

4 (b) CREDIT TREATED AS PART OF GENERAL BUSI-  
 5 NESS CREDIT.—Section 38(b) of such Code is amended  
 6 by striking “plus” at the end of paragraph (32), by strik-  
 7 ing the period at the end of paragraph (33) and inserting  
 8 “, plus”, and by adding at the end of following new para-  
 9 graph:

10 “(34) the vanpool credit determined under sec-  
 11 tion 45Q(a).”.

12 (c) CLERICAL AMENDMENT.—The table of sections  
 13 for subpart D of part IV of subchapter A of chapter 1of  
 14 such Code is amended by adding at the end the following  
 15 new item:

“Sec. 45Q. Vanpool credit.”.

16 (d) EFFECTIVE DATE.—The amendments made by  
 17 this section shall apply to expenditures made after Decem-  
 18 ber 31, 2008.

19 **SEC. 14. PARTICIPATION OF FEDERAL AGENCIES IN LOCAL**  
 20 **TRANSPORTATION MANAGEMENT ASSOCIA-**  
 21 **TIONS.**

22 It is the sense of Congress that Federal agencies  
 23 should participate in local transportation management as-  
 24 sociations to encourage more efficient use of transpor-  
 25 tation and parking resources.

1 **SEC. 15. DISCLOSURE OF TRANSIT ACCESSIBILITY AND**  
2 **TRANSPORTATION COSTS OF HOUSING.**

3 (a) **AFFORDABILITY INDEX.**—The Secretary of  
4 Housing and Urban Development shall, to the maximum  
5 extent practicable and in a manner consistent with current  
6 research—

7 (1) incorporate transportation costs associated  
8 with the location of housing into affordability meas-  
9 ures and standards used to allocate low-income  
10 housing tax credits in connection with vouchers for  
11 rental assistance under section 8 of the United  
12 States Housing Act of 1937 (42 U.S.C. 1437f) or  
13 other affordable housing programs;

14 (2) work with States to incorporate transpor-  
15 tation into the housing plans for the States; and

16 (3) consult with those associations that use af-  
17 fordability indexes to incorporate transportation  
18 costs into the affordability indexes of the association.

19 (b) **MODEL TRANSPORTATION COST FIELD FOR USE**  
20 **BY MULTIPLE LISTING SERVICE.**—

21 (1) **DEVELOPMENT.**—The Secretary shall,  
22 through a public process, develop a model transpor-  
23 tation cost field that can be used by Multiple Listing  
24 Services for real estate listings to measure certain  
25 transportation costs associated with the location of  
26 a home.

1           (2) PARTICIPATION.—In developing the model  
2 transportation cost field, the Secretary shall work  
3 with realtors, homebuilders, smart growth experts,  
4 transportation planners, and others.

5           (3) FACTORS.—The field developed under this  
6 section for a property may take into consideration  
7 the following factors:

8           (A) Bus, transit, and other public trans-  
9 portation options within  $\frac{1}{2}$  and 1 mile of the  
10 property.

11           (B) The costs associated with traveling to  
12 work, school, shopping, and other facilities.

13           (C) If available, the average daily vehicle  
14 miles traveled for the community in which the  
15 property is located.

16           (D) The availability and accessibility of  
17 services in the neighborhood, including grocery  
18 stores, parks, bike lanes, community centers,  
19 restaurants, coffee shops, medical facilities,  
20 laundry/cleaners, libraries, schools, plazas/town  
21 squares, and day care facilities.

22           (4) TECHNOLOGY TRANSFER.—Upon develop-  
23 ment of the field under this section, the Secretary  
24 shall make the field available to Multiple Listing  
25 Service entities and metropolitan planning organiza-

1 tions to incorporate the field into their Multiple  
2 Listing Service programs.

3 (5) AUTHORIZATION OF APPROPRIATIONS.—

4 There is authorized \$3,000,000 for the purposes of  
5 carrying out this section, of which—

6 (A) 70 percent shall be available for devel-  
7 opment of the model transportation cost field;  
8 and

9 (B) 30 percent shall be available for out-  
10 reach to Multiple Listing Service program to  
11 promote the use of the new transportation cost  
12 field.

13 **SEC. 16. LOCATION-EFFICIENT MORTGAGE GOALS FOR**  
14 **FANNIE MAE AND FREDDIE MAC.**

15 (a) PURPOSES.—

16 (1) FANNIE MAE.—Section 301 of the Federal  
17 National Mortgage Association Charter Act (12  
18 U.S.C. 1716) is amended—

19 (A) in paragraph (4), by striking “and” at  
20 the end;

21 (B) in paragraph (5), by striking the pe-  
22 riod at the end and inserting “; and”; and

23 (C) by adding at the end the following new  
24 paragraph:

1           “(6) promote and facilitate the use of location-  
2 efficient mortgages.”.

3           (2) FREDDIE MAC.—Subsection (b) of section  
4 301 of the Federal Home Loan Mortgage Corpora-  
5 tion Act (12 U.S.C. 1451 note) is amended—

6           (A) in paragraph (3), by striking “and” at  
7 the end;

8           (B) in paragraph (5), by striking the pe-  
9 riod at the end and inserting “; and”; and

10           (C) by adding at the end the following new  
11 paragraph:

12           “(5) to promote and facilitate the use of loca-  
13 tion-efficient mortgages.”.

14           (b) GOALS FOR MORTGAGE PURCHASES.—The Hous-  
15 ing and Community Development Act of 1992 is amended  
16 by inserting after section 1334 (12 U.S.C. 4564) the fol-  
17 lowing new section:

18 **“SEC. 1334A. LOCATION-EFFICIENT MORTGAGES GOALS.**

19           “(a) IN GENERAL.—The Director shall establish an-  
20 nual goals for the purchase by each enterprise of mort-  
21 gages, for single-family, owner-occupied housing, of loca-  
22 tion-efficient mortgages.

23           “(b) TARGETS.—The annual goals under this section  
24 for each enterprise for purchase of location-efficient mort-  
25 gages shall be as follows:



1           “(1) During the years 2009 through 2013, 5  
2           percent of the mortgages for single-family, owner-oc-  
3           cupied homes that are purchased during each such  
4           year by the enterprise.

5           “(2) During the years 2014 through 2018, 10  
6           percent of such mortgages that are purchased dur-  
7           ing each such year by the enterprise.

8           “(3) During 2019 and each year thereafter, 15  
9           percent such mortgages that are purchased during  
10          each such year by the enterprise.

11          “(c) PLAN AND REPORTS.—The Director shall re-  
12          quire each enterprise—

13                 “(1) not later than 2009, to develop and submit  
14                 to the Director a plan that provides for the use and  
15                 purchase of location-efficient mortgages in a manner  
16                 designed to help achieve a significant reduction in  
17                 the number of vehicle miles traveled; and

18                 “(2) submit a report to the Congress annually  
19                 that describes the extent of mortgage purchases de-  
20                 scribed in subsection (b) and of compliance with the  
21                 goal established pursuant to such subsection.

22          “(d) REPORTS.—Not later than December 31 of each  
23          year from 2012 through 2018, the Secretary of Housing  
24          and Urban Development shall submit to the Congress a  
25          report that—

1           “(1) identifies the potential markets for loca-  
2           tion-efficient mortgages for single-family housing  
3           and any existing barriers to wider use of such prod-  
4           ucts; and

5           “(2) identifies any correlations between defaults  
6           on mortgages for single-family or multifamily hous-  
7           ing and the extent of the location efficiency of such  
8           housing.

9           “(e) DEFINITION.—For purposes of this section, the  
10          term ‘location efficient mortgage’ means a mortgage loan  
11          under which the income of the borrower, for purposes of  
12          qualification for such loan, is considered to be increased  
13          by not less than \$1 for each \$1 of savings projected to  
14          be realized by the borrower because the location of the  
15          home for which loan is made results in decreased transpor-  
16          tation costs for the household of the borrower.”.

17          (c) REPORTS, ENFORCEMENT, AND CONFORMING  
18          AMENDMENTS.—Title XIII of the Housing and Commu-  
19          nity Development Act of 1992 is amended—

20                 (1) in subsection (b) of section 1324 (12 U.S.C.  
21                 4542(b))—

22                         (A) in paragraph (4), by striking “and  
23                         1334” and inserting “1334, and 1334A”;

1 (B) by redesignating paragraphs (4)  
2 through (7) as paragraphs (5) through (8), re-  
3 spectively; and

4 (C) by inserting after paragraph (3) the  
5 following new paragraph:

6 “(4) aggregate and analyze appropriate data to  
7 assess the compliance of each enterprise with the lo-  
8 cation-efficient mortgages goal;”;

9 (2) in subsection (a) of section 1331 (12 U.S.C.  
10 4561(a))—

11 (A) by striking “and” before “a central  
12 cities”; and

13 (B) by inserting before the period at the  
14 end of the first sentence the following: “, and  
15 location-efficient mortgages goals pursuant to  
16 section 1334A”;

17 (3) in section 1335 (12 U.S.C. 4565)—

18 (A) in the matter in subsection (a) that  
19 precedes paragraph (1)—

20 (i) by striking “and” before “the cen-  
21 tral cities”; and

22 (ii) by inserting after “section 1334,”  
23 the following: “, and the location-efficient  
24 mortgages goals pursuant to section  
25 1334A”;

1 (B) in subsection (b), by striking “and  
2 1334” and inserting “, 1334, and 1334A”; and  
3 (4) in section 1336 (12 U.S.C. 4566)—

4 (A) in paragraph (1) of subsection (a), by  
5 striking “and 1334” and inserting “, 1334, and  
6 1334A”; and

7 (B) by striking “or 1334” each place such  
8 term appears and inserting “, 1334, or  
9 1334A”.

10 **SEC. 17. LOCATION-EFFICIENT MORTGAGES EDUCATION**  
11 **AND OUTREACH CAMPAIGN.**

12 The Secretary of Housing and Urban Development  
13 shall carry out a public awareness, education, and out-  
14 reach campaign to inform and educate residential lenders  
15 and prospective mortgagors regarding the availability,  
16 benefits, advantages, and terms of location-efficient mort-  
17 gages, including location-efficient mortgages that meet the  
18 requirements of section 1334A of the Housing and Com-  
19 munity Development Act of 1992, and other mortgages  
20 having location-efficiency features and to publicize such  
21 availability, benefits, advantages, and terms. Such actions  
22 may include entering into a contract with an appropriate  
23 entity to publicize and market such mortgages through ap-  
24 propriate media.

1 **SEC. 18. GRANTS FOR PURCHASE OR CREATION OF AF-**  
2 **FORDABLE HOUSING NEAR TRANSIT.**

3 (a) GRANT AUTHORITY.—The Secretary of Housing  
4 and Urban Development shall, to the extent amounts are  
5 available for grants under this section, make grants to  
6 States for financial assistance in constructing or acquiring  
7 housing that is affordable and location-efficient.

8 (b) REQUIREMENTS FOR HOUSING.—For purposes of  
9 this section:

10 (1) AFFORDABILITY.—Housing shall be consid-  
11 ered affordable only if the housing is affordable, in  
12 accordance with requirements that the Secretary  
13 shall establish, for rental or purchase by low-income  
14 families, as such term is defined in section 3 of the  
15 United States Housing Act of 1937 (42 U.S.C.  
16 1437a).

17 (2) LOCATION EFFICIENCY.—Housing shall be  
18 considered location-efficient only if the housing is on  
19 land located not further than one-half mile from a  
20 transit stop.

21 (c) APPLICATIONS.—To be eligible to receive a grant  
22 under this section, a State, through an appropriate State  
23 agency, shall submit to the Secretary an application at  
24 such time, in such manner, and containing such informa-  
25 tion as the Secretary may require.

1 (d) CRITERIA FOR APPROVAL.—The Secretary may  
2 approve an application of a State for a grant under this  
3 section only if the Secretary determines that the State will  
4 use the funds from the grant to carry out a program  
5 that—

6 (1) provides financial assistance for the con-  
7 struction or preservation of housing that meets the  
8 requirements of subsection (b); and

9 (2) includes such compliance and audit require-  
10 ments as the Secretary determines are necessary to  
11 ensure that the program is operated in a sound and  
12 effective manner.

13 (e) LIMITATION ON AGGREGATE GRANT AMOUNT.—  
14 The aggregate amount of grants made under this section  
15 to any single State may not exceed \$2,500,000

16 (f) ADMINISTRATIVE EXPENSES.—Of any amounts  
17 made available for grants under this section for a fiscal  
18 year, the Secretary may use not more than 15 percent for  
19 administrative expenses of the Department of Housing  
20 and Urban Development in carrying out this section.

21 (g) REPORTS.—

22 (1) TO SECRETARY.—Each State that receives  
23 a grant under this section shall submit a report to  
24 the Secretary, for each year during which amounts  
25 from such grant are expended for activities described

1 in subsection (a), describing the State’s program for  
2 constructing or preserving location-efficient afford-  
3 able housing for which the grant was made and the  
4 progress of the program.

5 (2) TO CONGRESS.—Not later than September  
6 30 of each year that any grants are made under this  
7 section, the Secretary shall submit a report to the  
8 Congress describing the total amount of such grants  
9 provided under this section to each State during the  
10 fiscal year ending on such date and evaluating the  
11 effectiveness of the grants made under this section  
12 in achieving the purposes of this section.

13 (h) AUTHORIZATION OF APPROPRIATIONS.—There is  
14 authorized to be appropriated to the Fund for each of fis-  
15 cal years 2009 through 2011 such sums as may be nec-  
16 essary for grants under this section.

17 **SEC. 19. ACCESSIBLE AND EFFICIENT SCHOOLS.**

18 (a) INCLUSION OF HIGH SCHOOLS IN SAFE ROUTES  
19 TO SCHOOL PROGRAM.—Section 1404 of the Safe, Ac-  
20 countable, Flexible, Efficient Transportation Equity Act:  
21 A Legacy for Users (23 U.S.C. 402 note; 119 Stat. 1228)  
22 is amended—

23 (1) by striking “primary and middle schools” in  
24 subsection (a), subsection (c)(1)(A), and subsection

1 (c)(1)(B) and inserting “primary, middle, and high  
2 schools”; and

3 (2) in subsection (k)—

4 (A) in the subsection heading by striking  
5 “PRIMARY AND MIDDLE SCHOOLS” and insert-  
6 ing “PRIMARY, MIDDLE, AND HIGH SCHOOLS”;

7 (B) by striking “primary and middle  
8 schools” and inserting “primary, middle, and  
9 high schools”; and

10 (C) by striking “eighth grade” and insert-  
11 ing “twelfth grade”.

12 (b) EXPANSION OF SAFE ROUTES TO SCHOOL PRO-  
13 GRAM.—There is authorized to be appropriated to carry  
14 out the safe routes to school program authorized by sec-  
15 tion 1404 of the Safe, Accountable, Flexible, Efficient  
16 Transportation Equity Act: A Legacy for Users (23  
17 U.S.C. 402 note; 119 Stat. 1228)—

18 (1) \$400,000,000 for fiscal year 2009;

19 (2) \$500,000,000 for fiscal year 2010; and

20 (3) \$600,000,000 for each of fiscal years 2011  
21 through 2013.

○